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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
TRANSCRIPT OF PROCEEDINGS
Local Public Hearing
December 8, 2010, 6:00 p.m.
Lee's Summit, Missouri
Volume 9

In the Matter of the Application of)
Kansas City Power & Light Company)File No.
for Approval to Make Certain Changes)ER-2010-0355
in its Charges for Electric Service)
to Continue the Implementation of its)
Regulatory Plan)

In the Matter of the Application of)
KCP&L Greater Missouri Operations)File No.
Company for Approval to make Certain)ER-2010-0356
Changes in its Charges for Electric)
Service)

NANCY M. DIPPELL, Presiding
DEPUTY REGULATORY LAW JUDGE
TERRY M. JARRETT
COMMISSIONER

Reported by:
Janet H. Wimer, CCR

1 APPEARANCES:

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1 P R O C E E D I N G S

2 (Starting time of the Hearing: 6:34
3 p.m.)

4 JUDGE DIPPELL: Good evening. My name is
5 Nancy Dippell and I guess we can go ahead and go on
6 the record. I'd better say that first. We've come
7 here this evening for a Local Public Hearing in
8 Case Numbers ER-2010-0355 and ER-2010-0356. These
9 are rate cases in which Kansas City Power and Light
10 Company and KCP&L Greater Missouri Operations,
11 formerly known as Aquila seek to implement general
12 rate increases for electric service in the Missouri
13 territories.

14 I have with me tonight, Commissioner
15 Terry Jarrett, and Commissioner, would you like to
16 make any opening remarks?

17 COMMISSIONER JARRETT: Yes, thank you,
18 Judge. On behalf of all of the Commissioners, we
19 appreciate you being here tonight. A few months
20 ago, we implemented a new - we kind of revamped our
21 Local Public Hearing format and procedures.
22 Hopefully, you got a lot more information - if
23 you've come to these before - a lot more
24 information and a better chance to ask question and
25 get answers. So hopefully, that is working well.

1 I think there's some comment sheets out.
2 We'd love to hear your comments on how the Local
3 Public Hearing was handled, because that's
4 something that we want to work on. We want to make
5 sure that all of you get the information you need
6 and also get all of your questions answered that
7 you have.

8 These Local Public Hearings are very
9 important to all the Commissioners. It is really
10 our only opportunity to hear what the rate payers
11 in these cases have to say, what their thoughts
12 are, what their opinions are, and so we welcome
13 your comments, welcome your testimony this evening.

14 A Court Reporter is transcribing this so
15 that the Commissioners that are not here will read
16 the transcripts, so it's important that we get your
17 input into the official record of the case. So I
18 look forward to your testimony tonight, and again,
19 thank you for being here.

20 JUDGE DIPPELL: As an official hearing of
21 the Public Service Commission, the testimony and
22 comments will be given under oath or affirmation,
23 so I will ask you if you're able to come down to
24 the podium and I will ask you to swear in and then
25 state your name and spell it for the Court Reporter

1 before giving your comments. And then after you've
2 given comments, I'll ask that you remain there
3 until I see if the Commissioner or some of the
4 attorneys present may have clarifying questions for
5 you or ask you just a couple a further questions.

6 And along those lines though, the
7 purpose of this hearing is to receive your comments
8 and so the company will not be presenting witnesses
9 or answering questions during the hearing part, and
10 neither the Commissioner nor I will be answering
11 questions at this point, either. And if you didn't
12 - if you have more questions that come up, or you
13 didn't get your questions all answered, there are
14 Staff members here, there's company Staff here, and
15 the Office of Public Counsel, and they'll all be
16 happy to stay afterwards or see you during the
17 hearing even.

18 So if you wish to testify, I've got a
19 sign up sheet. I'm going to go through and call
20 the names on the list. If you didn't get an
21 opportunity to sign the list, then I'll ask when
22 we're all done if anybody else would like to come
23 up.

24 With that, we'll begin by letting the
25 parties present make their entries of appearance.

1 So I'm going to begin with Staff, if I could
2 please.

3 MS. HERNANDEZ: Good evening. May it
4 please the Commission, my name is Jennifer
5 Hernandez and I'm appearing on behalf of the Staff
6 of the Missouri Public Service Commission. Our
7 address is P.O. Box 360, Jefferson City, Missouri,
8 65102.

9 JUDGE DIPPELL: Thank you, and the
10 Company?

11 MR. ZOBRIST: Karl Zobrist, SNR Denton,
12 representing Kansas City Power & Light Company,
13 4520 Main Street, Suite 1100, Kansas City,
14 Missouri, 64111.

15 JUDGE DIPPELL: Thank you. Mr. Mills?

16 MR. MILLS: On behalf of the Office of
17 Public Counsel and the public, my name is Lewis
18 Mills. My address is Post Office Box 2230,
19 Jefferson City, Missouri, 65102.

20 JUDGE DIPPELL: And Mr. Wagner?

21 MR. WAGNER: Robert Wagner, pro se
22 Intervener, address, 9005 North Chatham, Kansas
23 City, Missouri, 64154.

24 JUDGE DIPPELL: And were there any other
25 parties present? Seeing none, we can begin with

1 the first witness, Robert Christian.

2 ROBERT CHRISTIAN, being first duly sworn
3 by Judge Dippell, testifies as follows:

4 JUDGE DIPPELL: Thank you.

5 MR. CHRISTIAN: My name is Robert
6 Christian and I'm representing myself, as well as
7 the Raintree Lake Property Owner's Association-

8 JUDGE DIPPELL: Okay. Can you spell your
9 name for us, please?

10 MR. CHRISTIAN: C-H-R-I-S-T-I-A-N.

11 JUDGE DIPPELL: Okay, go ahead.

12 MR. CHRISTIAN: The testimony that I'd
13 like to provide is a letter that we have sent to
14 the Missouri Public Service Commission, along with
15 pictures of infrastructure inadequacies and safety
16 concerns we have for Kansas City Power and Light,
17 as well as other utilities' equipment in our
18 neighborhood.

19 JUDGE DIPPELL: Okay. And it's dated
20 September 21st. Is that when you sent it to the
21 Public Service Commission - oh, this is the
22 response.

23 MR. CHRISTIAN: Our letter to them is
24 dated 9-16. We did receive a response from the
25 Missouri Public Service Commission, indicating that

1 Kansas City Power and Light - the issue with Kansas
2 City Power and Light was being investigated, but we
3 have not heard back since that time, so that's-

4 JUDGE DIPPELL: Okay.

5 MR. CHRISTIAN: -that's basically all.

6 JUDGE DIPPELL: And so this information
7 is self-explanatory-

8 MR. CHRISTIAN: I would certainly hope
9 so.

10 JUDGE DIPPELL: Alright. I will mark
11 this packet of papers as Exhibit 1 for this public
12 hearing.

13 (WHEREIN, Exhibit 1 was marked for
14 identification by the Court Reporter.)

15 MR. CHRISTIAN: Great, thank you.

16 JUDGE DIPPELL: And did you have anything
17 further or is this-

18 MR. CHRISTIAN: I don't. I have extra
19 packets that I can provide, and I can certainly
20 give packets to the Kansas City Power and Light
21 representative, as well.

22 JUDGE DIPPELL: Alright, thank you.

23 Commissioner did you have any questions?

24 COMMISSIONER JARRETT: No. I appreciate
25 you bringing the document and filing that with us

1 and thanks for coming out tonight.

2 MR. CHRISTIAN: I appreciate your-

3 JUDGE DIPPELL: Thank you very much.

4 Alright then, Brian Petersen.

5 BRIAN PETERSEN, being first duly sworn
6 by Judge Dippell, testifies as follows:

7 JUDGE DIPPELL: Thank you. If you could
8 spell your name for us, please.

9 MR. PETERSEN: It is Brian Petersen,
10 P-E-T-E-R-S-E-N. That's the Danish spelling.

11 JUDGE DIPPELL: And Brian is with an I?

12 MR. PETERSEN: Right. B-R-I-A-N, yes.

13 JUDGE DIPPELL: Thank you.

14 MR. PETERSEN: I thought you might think
15 my name is Peterson - that's E-N, that's my name.
16 Anyway, I represent John Knox Village which is a
17 continuing care retirement community here in John
18 Knox - in Lee's Summit. We have about 1,500
19 residents and about 1,000 associates. I testified
20 here about eighteen months ago when the KCP&L
21 requested a rate increase and I'm here in that same
22 capacity, if you will.

23 The problem that we have with the rate
24 increase is basically we're in the middle of our
25 budget cycle. And we have heard the testimony or

1 at least in discussion points with KCP&L about
2 their needs for the increase. I just want
3 everybody to understand what it does, not only to
4 the residents here who happen to live in Lee's
5 Summit or this area about what it hits their
6 regular bill every month, but what it does to
7 business like ours.

8 We have residents in our facility who
9 are on fixed income and Social Security is their
10 only income. Those raises didn't go in effect last
11 year. They're not going in effect this year, as
12 well. Our associates who are there did not get a
13 raise last year because adding a very modest
14 increase of about two percent for a raise for our
15 associates this year comes to roughly a million
16 dollars.

17 The increase that KCP&L is requesting,
18 based on our utility bill, is about \$300,000. It's
19 a thing that we really have to think about and
20 budget about and it affects our business in a lot
21 of ways. We are not able to do as much repairs to
22 our city streets. We are not able to do as much
23 upgrades to people's apartments, buy safety
24 vehicles, et cetera. It is a huge portion of my
25 budget every year, and I'm in the middle of that

1 budget process right now, and to be honest, I'm
2 throwing - like I said earlier, it's kind of a bad
3 cliché, but I'm kind of throwing darts at a board.
4 I have to try and meet budget, yet I don't know
5 about this \$300,000 elephant that's in the room
6 that could be possibly a KCP&L increase.

7 So just that the Commission and everyone
8 understands, that it just isn't \$15, you know, for
9 someone's bill in the mail that comes every day.
10 It really affects our business, as it does probably
11 a lot of other businesses.

12 We have requested at the last hearing to
13 perhaps increase the rates more incrementally,
14 three or five percent at a time. It gives
15 businesses like ours an opportunity to absorb that
16 over time, instead of like you say, you know,
17 almost a half a million dollars, if you will, in an
18 electric bill. Now, that's really kind of the ying
19 and the yang.

20 But there is a good portion at KCP&L.
21 We work with them, like I mentioned this last time,
22 the rebate program that we do, we have utilized
23 that to the tune of \$44,000 since we started. It's
24 a direct rebate or a direct credit to our electric
25 bill, which is going to save us about \$30,000 a

1 year, estimate, but we do that on every project
2 that we possibly can. But when you - that's
3 something where if you incrementally increase this
4 rate, instead of hitting me - instead of hitting us
5 with \$300,000, I can, over time, perhaps, absorb
6 that a little better than if you just, you know,
7 "Here's \$300,000," because that \$30,000 a year is a
8 drop in the bucket when we get hit with a rate
9 increase like that. But they have been responsive
10 to us.

11 In response to the gentleman from
12 Raintree, we have also sent in an entire list of
13 transformers and equipment that is off center.
14 It's been, you know, the ground has settled under
15 it, repeated calls since this summertime.

16 We've got a couple of the units painted
17 and, you know, thank you very much, it's nice to
18 have them painted, but here's this other list of
19 all the others needing painting as well as their -
20 you know, and they are dangerous. Maybe they don't
21 have wires showing, but, you know, there's some
22 infrastructure problems to that transformer.

23 Underneath it where the wiring comes in
24 there, we were having water flood into one of our
25 facilities through the conduit that the power was

1 coming through. And those are some of the results
2 that if you just take a picture of, you don't see,
3 but underneath the ground, things are happening.
4 And that's just a small piece.

5 But that's really all I have and I thank
6 you for the opportunity to come here tonight.

7 JUDGE DIPPELL: Thank you, Mr. Petersen.
8 I recall you testifying at the last hearing and
9 there was a couple of things that I just wanted to
10 ask. You mentioned sending a packet of information
11 about the transformers and equipment-

12 MR. PETERSEN: Yes.

13 JUDGE DIPPELL: -now, did you send that
14 to the Company or to the Commission?

15 MR. PETERSEN: I sent it to the Company.
16 Eric Recess is who I've been working with and he
17 asked on several occasions and I sent another email
18 just today, knowing I was coming here, that said,
19 you know, "Any word on when these transformers
20 might be looked at and perhaps some work done on
21 them?" I haven't heard back on them.

22 He said he'll put it on their work list
23 is what - you know, I run kind of job like
24 utilities and public works site and that's my
25 answer sometimes, too, is it's on my list. It just

1 hasn't gotten to their priority yet.

2 JUDGE DIPPELL: And tell me again about
3 John Knox Villages. It that an assisted living
4 facility or an independent living-

5 MR. PETERSEN: It's a continuing care
6 retirement community, independent living, assisted
7 living. It is, by some accounts, the largest in
8 the country as a single standing entity. It's a 40
9 year anniversary we just had. We're on 400 acres
10 out here, fourteen apartment complexes, 500
11 cottages, homes, single family homes.

12 Again, it's a little bigger operation
13 than I thought I was getting into when I got out of
14 the Navy, but anyway, it's - \$300,000 is a lot of
15 money to try and find. It will affect our whole
16 operations for next year. It has an affect on
17 them.

18 JUDGE DIPPELL: And then is there a
19 skilled nursing facility, as well?

20 MR. CHRISTIAN: Yes, ma'am. There's a
21 400 bed skilled nursing facility.

22 JUDGE DIPPELL: So do you have some sort
23 of arrangement with KCP&L as a priority-

24 MR. CHRISTIAN: Yes, we do. Same way
25 with your water and gas at this time.

1 JUDGE DIPPELL: Okay. Alright,
2 Commissioner, did you have any questions?

3 COMMISSIONER JARRETT: No. Actually, you
4 asked a couple of the one that I had, so I thank
5 you for your testimony, sir. I appreciate you
6 coming out tonight.

7 MR. CHRISTIAN: Thank you.

8 JUDGE DIPPELL: Thank you. Dorothy
9 Willcutt.

10 DOROTHY WILLCUTT, being first duly sworn
11 by Judge Dippell, testifies as follows:

12 JUDGE DIPPELL: If you could state your
13 name and spell it for the Court Reporter, please.

14 MS. WILLCUTT: My name is Dorothy
15 Willcutt, W-I-L-L-C-U-T-T.

16 JUDGE DIPPELL: Go ahead with your
17 comments.

18 MS. WILLCUTT: I'm real small potatoes
19 because I'm just a residential customer, but like
20 many here, I'm on a fixed income and this would
21 really hit us hard because, as you know, older
22 people, insurance, the health insurance is going to
23 increase enormously this year. And it makes it
24 very difficult and so when we can't afford either
25 medicines or heating, what are we going to do?

1 I currently have my thermometers at 68
2 to try, and I pay through the computer, which I
3 hope it reduces the cost to the Company, but are
4 there other ways that we can help cut the costs so
5 that it won't be so onerous upon us, as customers,
6 because we appreciate the service, and I also have
7 a kind of silly question, I guess.

8 Sometime between 2 and 4 in the
9 afternoon, my service goes totally off for about a
10 minute. I don't know if that's a - I don't know
11 why. It comes right back on, but if you're doing
12 anything needing the service, you've got to hope it
13 comes back on. It always has, but why does it go
14 off and stay off a little while?

15 COMMISSIONER JARRETT: Is that every day?

16 MS. WILLCUTT: Yes. Well, almost every
17 day at least.

18 JUDGE DIPPELL: I'm going to recommend
19 that you talk to someone with the Company here
20 tonight, one of their customer service people, and
21 they can explain or get to the bottom-

22 MS. WILLCUTT: There is a lot of new-

23 JUDGE DIPPELL: The gentleman back here
24 is telling me he's the guy you need to see.

25 MS. WILLCUTT: There's a lot of new

1 developments within the last five years in my
2 neighborhood, so it may be simply because they
3 haven't been able to figure out how much power is
4 needed. I don't know.

5 JUDGE DIPPELL: Commissioner, did you
6 have any additional questions?

7 COMMISSIONER JARRETT: No, I don't have
8 any questions, but thank you for your testimony. I
9 appreciate you coming in tonight.

10 JUDGE DIPPELL: And I haven't been asking
11 if the attorneys have questions. I'll assume if
12 you do, you'll-

13 MR. MILLS: I will let you know.

14 JUDGE DIPPELL: -you'll jump up. Thank
15 you. And it's James Carder?

16 JAMES CARDER, being first duly sworn by
17 Judge Dippell, testifies as follows:

18 JUDGE DIPPELL: Thank you. If you could
19 state your name and spell it for the Court
20 Reporter.

21 MR. CARDER: My name is James E. Carder,
22 C-A-R-D-E-R.

23 JUDGE DIPPELL: Go ahead with your
24 comments.

25 MR. CARDER: Like her, I'm a senior on a

1 fixed income, and every year a raise or 10, 12, 14,
2 or \$15 is really going to hurt us. And also with a
3 pending every year of KCP&L going through the
4 Missouri Senate, or whatever, to try and get that
5 second rate increase per year, if they ever get it
6 through, that's really going to be bad, which
7 they're trying to every year, I know they are, to
8 get a second rate - where they can ask for a second
9 rate increase per year instead of just one.

10 So you take that together, that would be
11 a lot of money. Well, it's a lot of money at just
12 the single rate, but it would be a lot of money if
13 you had to ask for two rates. And I'm sure if they
14 ever got it through, they'd probably ask for two
15 rates a year. And that's about all I have to say.

16 JUDGE DIPPELL: Commissioner, did you
17 have questions?

18 COMMISSIONER JARRETT: No, I don't have
19 any questions, but I thank you for coming out and
20 testifying.

21 MR. CARDER: Okay.

22 JUDGE DIPPELL: Thank you, Mr. Carder.
23 Harold Sherwood.

24 HAROLD SHERWOOD, being first duly sworn
25 by Judge Dippell, testifies as follows:

1 JUDGE DIPPELL: Thank you. If you could
2 state your name and spell it for the Court
3 Reporter, please.

4 MR. SHERWOOD: Harold Sherwood. The last
5 name, S-H-E-R-W-O-O-D.

6 JUDGE DIPPELL: Thank you. Go ahead.

7 MR. SHERWOOD: I'm here to speak in
8 opposition to the amount of the rate increase.
9 I've done a little research and again, stuff I've
10 gleaned from the newspaper, internet, KCP&L
11 information, and obviously, the fourteen percent
12 that's being requested is a large increase.

13 Some of the reports I've read from the
14 newspapers said that if this fourteen percent would
15 go into effect as it is, that it would amount for
16 the last five years to about a 50 percent increase
17 in electric rates for the people in this area.

18 According to KCP&L's own chart that's on
19 the internet, that if this fourteen percent was
20 granted, it would be the largest percent increase
21 granted since 1990, which obviously, it's a big
22 hunk of money for a lot of people. And I can't
23 quote chapter and verse, but, you know, if it is a
24 50 percent increase, that would put the cost of
25 electric service and electricity right up there

1 with the increase in health care.

2 We're living in a time of high
3 unemployment, recession. I've listened to the Fed
4 Chairman talk about he's worried about deflation.
5 People who are on pensions are not getting cost of
6 living allowances, and for most people, there are
7 low or no wage increases coming. You know, this
8 increase would impose a large hardship on a lot of
9 people.

10 I'm a fortunate person. If this rate
11 increase goes through, I'll be able to pay my bill.
12 I won't like it, but who will? But I'm talking
13 about people like the lady who testified, and my
14 mother who is in her eighties, and her friends that
15 she talks about. And she's on a small pension and
16 she lives on Social Security, and she's always
17 worried about how she can pay for an increase in
18 inflationary type things like, you know, food is
19 still going up, even though, you know, they say the
20 statistics show inflation is in control, but food
21 and some other things are still going up, and, you
22 know, a fifteen percent increase here would really
23 put a squeeze on her, and there are thousands of
24 people like her. Not only that, but all the people
25 who are, unfortunately, unemployed now. You know,

1 add a fifteen percent increase or a fourteen
2 percent increase to them, it's going to make their
3 situation even more dire than it already is.

4 I realize utilities are a necessary
5 evil, a monopoly, and I appreciate that the Public
6 Service Commission's job is to make them a benign
7 monopoly. We can't go someplace else to get our
8 electricity. You know, that's the only place
9 that's going to come through the wire, is from
10 KCP&L. But I'm suspicious of the necessity of this
11 increase.

12 In the past, partly because of Aquila
13 and other previous companies, there have been
14 exorbitant executive pay, and I still don't know
15 exactly how much is built in for the executive pay
16 from this requested increase.

17 There's been a lot of reports of
18 unnecessary cost overrun for building Iatan. I
19 know the Kansas Corporation Commission Auditor
20 accused KCP&L of mismanagement in the construction
21 or supervision of the construction of the project,
22 and like several people have mentioned, there's
23 been an overly large rate increase not too long ago
24 from KCP&L.

25 I know the KCP&L CEO, on the TV station

1 I saw, and I think he pronounced the rate increase
2 a reasonable rate of return for the utility, but I
3 think there's a great disagreement of what a
4 reasonable rate of return is between the people who
5 have to pay the bills and the people who run the
6 utilities. And I could probably go on some more,
7 but I think I'll call it a halt right there.

8 JUDGE DIPPELL: Thank you. Commissioner,
9 did you have questions?

10 COMMISSIONER JARRETT: No, I don't have
11 any questions, but I thank you for your testimony.

12 JUDGE DIPPELL: Mr. Sherwood, I just have
13 one question for you. Did you get a chance to ask
14 during the question and answer session about the
15 executive pay?

16 MR. SHERWOOD: I did and the gentleman
17 from KCP&L said he didn't know how much it was. I
18 asked him for a rough estimate and he didn't know
19 that either.

20 JUDGE DIPPELL: I might ask you to get
21 with our Staff people and if they don't have the
22 figure with them, but they can share with you the
23 amount that is included in the rate increase,
24 because all of those things are not always all
25 included in what they've asked for as the rate

1 increase. And I certainly don't know that figure
2 right now. I would ask you to get with one of our
3 Staff members and maybe they can get you that
4 information.

5 MR. SHERWOOD: Well, I know it's - he
6 said it was a matter of public record, but it's not
7 always easy to locate.

8 JUDGE DIPPELL: And that's the reason I
9 would like you to talk with somebody that knows how
10 to locate it. Thank you very much. Claude
11 Andrews.

12 CLAUDE ANDREWS, being first duly sworn
13 by Judge Dippell, testifies as follows:

14 JUDGE DIPPELL: Thank you. If you could
15 state your name and spell it for us please.

16 MR. ANDREWS: Claude Andrews,
17 A-N-D-R-E-W-S.

18 JUDGE DIPPELL: Go ahead.

19 MR. ANDREWS: Okay, I have some questions
20 as to why the cost of the Iatan plant doubled the
21 expected cost? Now, usually when a job of this
22 stature is planned, it's put up for public bids.
23 When a company bids a job for X amount of dollars,
24 they're obligated to complete it for that. Then
25 why would this job almost double if it was put up

1 for competitive bids?

2 I worked as an estimator for years at a
3 steel company. I've been to our plants all over
4 the country. We always guaranteed our bid, and if
5 we had enough money in there to cover it, fine. If
6 we didn't, we had to eat the difference. So, I'm
7 asking, I guess, if Kansas City Power & Light
8 really planned this job out to take advantage of a
9 competitive bid, or did they just put it out there
10 for someone to - on a cost plus something or other.

11 Now, this is something that is very
12 negative in my opinion, is a cost plus job. This
13 seems like this is what it could have been. I'm
14 not saying it was. It seems that that was a
15 possibility. So it seems that Kansas City Power
16 and Light needs someone to plan a little better.
17 You don't do a job and pay double for it. I mean,
18 that's not good planning in anyone's book.

19 When I get a job done at my house, I get
20 a bid on it and I take the best bid of the two or
21 three that I get. And I think people that work for
22 the public are obligated to do the same thing, and
23 if not, why not.

24 And also it seems to me that this
25 increase probably for my light bill would be

1 fifteen percent plus if their requested amount is
2 granted. And I can certainly sympathize with the
3 lady back here that's on a fixed income. I,
4 myself, am on retirement Social Security. That
5 don't increase. The government don't see any cost
6 of living increase for these senior citizens, and
7 my pension is froze, so there's no increase there.
8 If I want any extra money, I've got to get out and
9 earn it. Fortunately, I'm able to. But I
10 shouldn't have to.

11 You know, most industry, when they
12 expand their facility, they tighten their belts and
13 pay for it. Why can't Kansas City Power and Light
14 tighten their belt a little? It seems to me that
15 every time they spend a dime, they run out and ask
16 everyone for nine cents or something. So, you
17 know, it just seems like that they need someone to
18 help them plan. So I don't see it, you know, in
19 their organization now. Thank you very much.

20 JUDGE DIPPELL: Thank you, sir.

21 Commissioner, did you have any questions?

22 COMMISSIONER JARRETT: I don't have any
23 questions. Thank you, though, sir. I appreciate
24 your testimony.

25 MR. SHERWOOD: Thank you.

1 JUDGE DIPPELL: That's all the names I
2 have on my list. Is there anyone else who would
3 like to testify? This gentleman over here?

4 MR. BREWER: My name is Johnny Brewer.
5 Do you want my mailing address or physical address?

6 JUDGE DIPPELL: I don't even need your
7 address, I just need you to spell your name for us.

8 MR. BREWER: First name, Johnny,
9 J-O-H-N-N-Y. Last name, Brewer, B-R-E-W-E-R.

10 JOHNNY BREWER, being first duly sworn by
11 Judge Dippell, testifies as follows:

12 JUDGE DIPPELL: Thank you. Go ahead, Mr.
13 Brewer.

14 MR. BREWER: I'd just like to comment in
15 opposition to the amount of the increase, also. I
16 think most of KCP&L's customers, whether it be
17 Legacy KCP&L or Missouri Public Service, I think
18 we're reasonable people. We don't expect there not
19 to be any periodic increases, but I think it needs
20 to be not just what is reasonable, but what is
21 necessary. Unfortunately, the average customer
22 doesn't have the capability or training to do the
23 analysis and thankfully, there is a Public Service
24 Commission, such as yours, that does that for us.

25 I think during this historic economic

1 downturn, very few businesses are able to raise
2 their rates, such as KCP&L has and has asked to do
3 in the future. It appears to my untrained eye that
4 they ask for a lot larger amount than they think
5 they're going to get, kind of like the government
6 budgeting. If you need 30 million, ask for 60
7 million. I mean you can go through these, I won't
8 read them all to you, but for the KCP&L area, the
9 regional service area, they're asking for 90
10 million and the Public Service Commission Staff,
11 you know, has approved or recommended 7 million.
12 And I know the disparity is not quite as big
13 between the Missouri Public Service area, but there
14 still is a significant difference in that number.

15 I have a lot of faith in the Missouri
16 Public Service Commission staff that, you know,
17 they've analyzed a few of these rate increase in
18 their time. And they do it for other companies,
19 not just KCP&L. And I really think that - I hope
20 the Commission gives substantial weight to the
21 Staff recommendations that appear not only to be
22 more reasonable, but closer to what is actually
23 necessary and not what is desirable.

24 We'd all like to have a fourteen percent
25 increase in revenue, but it's not going to happen.

1 Most of us, our salaries are frozen. Other things
2 are going up, health insurance, kids' college
3 tuition, groceries, medicine, you name it.
4 Everything is going up and what this is - if
5 approved as requested, I feel like what it's going
6 to cause is a lot more drop outs, people who don't
7 pay, and the Cold Weather Rule, KCP&L's not going
8 to be able to turn them off, so that's just going
9 to increase the cost to everybody, or to the
10 remaining people that can afford it, and eventually
11 that number will get bigger and bigger until, you
12 know, we're back on coal oil lights or something
13 and Ben Franklin stoves. Because it's not
14 sustainable at this rate. It just is not, not for
15 the average homeowner.

16 That's all I have to say.

17 JUDGE DIPPELL: Thank you. Commissioner,
18 did you have any questions?

19 COMMISSIONER JARRETT: I don't have any
20 questions, but thanks for coming out, sir.

21 MR. BREWER: Thank you.

22 COMMISSIONER JARRETT: I appreciate your
23 testimony.

24 JUDGE DIPPELL: Thank you very much. Is
25 there anyone else who would like to testify?

1 Alright, then, if no one else would like to come
2 forward, we really appreciate you all coming out
3 this evening and participating. Your comments are
4 important to the Commission and they do consider
5 them, and if you didn't get your question answered,
6 I would like you to see our Staff or KCP&L Staff
7 that are here tonight. Contact Mr. Mills' office
8 if you need to give further comment.

9 Thank you all very much for coming out
10 this evening. We can stand adjourned.

11 (WHEREIN, the Hearing is concluded at
12 7:07 p.m.)

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CERTIFICATE OF REPORTER

STATE OF MISSOURI) ss
COUNTY OF CLAY)

I, JANET H. WIMER, Certified Court Reporter, the officer before whom the foregoing hearing was taken, do hereby certify that the testimony in said hearing was taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken, and further, that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

Notary Public in and for
the State of Missouri

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